

**QUESTIONS?**  
**(206) 684-3800**  
**CONTACT AN  
ENERGY ADVISOR**

## DEEP RETROFIT PAY FOR PERFORMANCE **FAQ**

### WHAT IS DEEP RETROFIT PAY FOR PERFORMANCE?

Deep Retrofit Pay for Performance (P4P) is an approach to energy efficiency in which incentive payments are made over time and based on actual energy savings measured at the electric meter. This differs from the standard approach of offering an upfront incentive payment based on the estimated energy savings from an energy conservation measure. Since savings are measured at the meter in P4P, savings can come from building retrofits and equipment upgrades as well as behavioral, operational and maintenance (O&M) and retro-commissioning activities. Participants receive a set incentive rate for energy savings achieved over the course of a defined performance period (either three or five years). Incentive payments are made at the end of each year of the performance period.

### WHO IS ELIGIBLE?

P4P is open to Seattle City Light commercial customers who own or operate buildings that have the following characteristics:

- 50,000 square feet or more of conditioned space
- Interval meter (access to hourly or 15-minute interval energy usage data at the building level)
- Stable building energy use over the past year

Commercial buildings less than 50,000 square feet may also be eligible for P4P if they have high energy use and access to hourly or 15-minute interval energy usage data at the building level.

To be eligible for P4P, savings from planned capital equipment improvements (HVAC, lighting, envelope, etc.) must be identified as at least 15 percent of a building's baseline electric consumption. Contact your service provider for help determining estimated savings associated with planned capital equipment improvements, or contact Seattle City Light for assistance with determining your baseline electric consumption.

### AM I ELIGIBLE FOR OTHER ENERGY EFFICIENCY INCENTIVES IF I PARTICIPATE IN P4P?

While participating in P4P, customers are not eligible for any other energy efficiency financing through Seattle City Light. However, participants are eligible to participate in Seattle City Light's renewable energy offerings. They may also be eligible to receive Energy Analysis Assistance (EAA) funding through Seattle City Light.

### WHAT ARE THE INCENTIVES?

Seattle City Light provides financial incentives for energy savings achieved during a three- or five-year performance period. Incentive payments are made at the end of each year of the performance period. The incentive amount differs depending on the performance period option selected by the customer.

- **Three-Year Performance Period** The three-year option offers an incentive rate of \$0.08/kWh. Incentive payments are made on the normalized cumulative savings achieved over the baseline at the end of each year.



- **Five-Year Performance Period** The five-year option pays \$0.18/kWh on the normalized incremental savings achieved year-over-year for each year of the performance period, with the baseline ‘resetting’ each year. Projects may also be eligible for a bonus incentive rate for deeper energy savings once cumulative energy savings for the project reach greater than 15 percent of the initial baseline.

For both options, funding is capped at 70 percent of the total project cost.

## WHAT IS THE PROCESS?

Participants in P4P can expect to complete the following steps:

### 1. Get started

- Contact Seattle City Light at (206) 684-3800 or [SCLEnergyAdvisor@seattle.gov](mailto:SCLEnergyAdvisor@seattle.gov) to request a program application.
- Complete the program application, with general information about your building and project.
- Develop a project plan outlining energy savings activities and estimated savings expected to be achieved over the performance period.
- Submit the program application and project plan to Seattle City Light for the initial eligibility screening.

### 2. Build the Baseline Model

- Once the program application and capital improvement plan are approved by Seattle City Light, build a baseline model that demonstrates the building meets the measurement and verification (M&V) guidelines for P4P. Customers typically work with an energy services provider or engineering firm to build a baseline model.

### 3. Contract with Seattle City Light

- Complete a Seattle City Light Participation Agreement and select either the three- or five-year option. The program requirements are outlined as part of the Seattle City Light Participation Agreement.

### 4. Implement savings plan

- Implement energy conservation measures.
- Notify Seattle City Light at the beginning of the performance period. The performance period must begin within one year after the Participation Agreement is signed.

### 5. Quarterly and annual reporting

- Continue to implement energy conservation measures.
- Submit quarterly reports to Seattle City Light that summarize completed measures for the duration of the project.
- Complete annual reports that include verification of energy savings for the duration of the project.

### 6. Annual payments

- Seattle City Light issues annual incentive payments in each year of the performance period based on verified normalized energy savings.

## WHO DO I WORK WITH?

Customers will typically work with an energy services provider or engineering firm on a P4P project. In some cases, a building may have the resources to perform the project in-house. Seattle City Light staff are also available to assist with modeling and review of saving opportunities.

You may choose the energy services provider that you work with on your project as long as they meet the requirements in the measurement and verification (M&V) guidelines.

## HOW DO I APPLY?

Contact a Seattle City Light Energy Advisor at (206) 684-3800 or [SCLEnergyAdvisor@seattle.gov](mailto:SCLEnergyAdvisor@seattle.gov) to learn more or request a program application packet.

## QUESTIONS?

Contact a Seattle City Light Energy Advisor at (206) 684-3800 or [SCLEnergyAdvisor@seattle.gov](mailto:SCLEnergyAdvisor@seattle.gov) to learn more.



Seattle City Light is dedicated to delivering customers affordable, reliable and environmentally responsible electricity services.